

ELECTRONICALLY FILED
MAY 26, 2006

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[Proposed] Counsel for the Official Committee Of
Equity Security Holders Of USA Capital First Trust
Deed Fund, LLC

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:
USA COMMERCIAL MORTGAGE COMPANY,
Debtor.

) BK-S-06-10725-LBR
) Chapter 11

In re:
USA CAPITAL REALTY ADVISORS, LLC,
Debtor.

) BK-S-06-10726-LBR
) Chapter 11

In re:
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
Debtor.

) BK-S-06-10727-LBR
) Chapter 11

In re:
USA CAPITAL FIRST TRUST DEED FUND, LLC,
Debtor.

) BK-S-06-10728-LBR
) Chapter 11

In re:
USA SECURITIES, LLC,
Debtor.

) BK-S-06-10729-LBR
) Chapter 11

Affects

- ☒ All Debtors
☐ USA Commercial Mortgage Co.
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed
☐ USA First Trust Deed Fund, LLC

) Date: June 5, 2006
) Time: 9:30 a.m.
) Place: Courtroom #2

**AMENDMENT TO THE APPLICATION FOR ORDER APPOINTING SHEA &
CARLYON, LTD. AS SPECIAL (NEVADA) COUNSEL FOR THE OFFICIAL
COMMITTEES OF EQUITY SECURITY HOLDERS OF USA CAPITAL FIRST TRUST
DEED FUND, LLC AND USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC;**

**AND THE OFFICIAL COMMITTEE OF HOLDERS OF EXECUTORY CONTRACT
RIGHTS OF USA COMMERCIAL MORTGAGE COMPANY**

The Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (the "First Trust Deed Committee") appointed in the above-captioned bankruptcy cases (the "Chapter 11 Cases"), hereby files this Amendment to the Application for Order Appointing Shea & Carlyon, Ltd. as Special (Nevada) Counsel for the Official Committees of Equity Security Holders of USA Capital First Trust Deed Fund, LLC and USA Capital Diversified Trust Deed Fund, LLC; and the Official Committee Of Holders Of Executory Contract Rights of USA Commercial Mortgage Company (the "Employment Application") and respectfully states as follows:

At the time of filing the Employment Application, the First Trust Deed Committee, the Official Committee of Equity Security Holders of USA Capital Diversified Trust Deed Fund, LLC (the "Diversified Trust Deed Committee"), and the Official Committee of Holders Of Executory Contract Rights of USA Commercial Mortgage Company (the "Direct Lender Committee" and, collectively with the First Trust Deed Committee and Diversified Trust Deed Committee, the "Investor Committees"), had agreed, subject to Court approval, to engage Shea & Carlyon, Ltd. ("Shea & Carlyon") as special Nevada counsel to the Investor Committees for all matters of common interest. Subsequent to the filing of the Employment Application, the Direct Investor Committee informed the First Trust Deed Committee and Diversified Trust Deed Committee that it did not wish to continue with the joint representation in light of potential conflicts. Shea & Carlyon understands that the Direct Investor Committee has formally terminated its retention of Stutman, Treister & Glatt, P.C. in writing, and that such termination extends to Shea & Carlyon's employment as well.

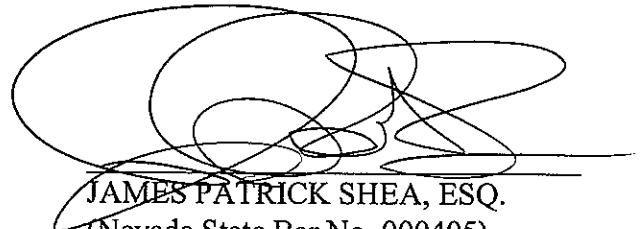
As set forth in Section III of the Employment Application, the Investor Committees agreed that, if Shea & Carlyon's joint representation of all three Investor Committees was not approved, the First Trust Deed Committee would then seek the Court's approval to Shea & Carlyon as its special Nevada counsel to represent its own interests in matters arising in the Chapter 11 Cases. Accordingly, since the Direct Lender Committee is no

1 longer interested in pursuing joint representation, the First Trust Deed Committee hereby seeks
2 the Court's approval to employ Shea & Carlyon as its special Nevada counsel as set forth in the
3 Employment Application.

4 **WHEREFORE**, the First Trust Deed Committee hereby requests that the Court
5 enter an order authorizing the First Trust Deed Committee to employ Shea & Carlyon as its
6 special Nevada counsel, that such approval be effective as of May 10, 2006, and that Shea &
7 Carlyon's compensation be set on such terms as are set forth in the Employment Application.

8 DATED this 26th day of May, 2006.

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10 SHEA & CARLYON, LTD.

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18 [Proposed] Counsel for the Official
19 Committee of Equity Security Holders
20 of USA Capital First Trust Deed Fund, LLC
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